

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
NORTH MCLEAN COUNTY WATER DISTRICT) CASE NO. 93-353

O R D E R

On September 22, 1993, North McLean County Water District ("North McLean") filed its application with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. North McLean purchases water from three suppliers: the city of Calhoun, the city of Livermore, and the West Daviess County Water District ("West Daviess"). The only rate increase will come from West Daviess; the other suppliers will not increase at this time.

2. In Case Nos. 93-103¹ and 93-115,² West Daviess was granted a general increase in rates for service. In addition, it was granted a surcharge to be charged to its customers for a

¹ Case No. 93-103, West Daviess County Water District Application for Surcharge, Order dated August 5, 1993.

² Case No. 93-115, West Daviess County Water District Application for Rate Increase, Order dated August 5, 1993.

period of 5 years. Both of these rates were made effective August 5, 1993.

West Daviess will increase its wholesale rate for water from \$1.31 per 1,000 gallons to \$1.83 per 1,000 gallons. The surcharge is \$0.27 per 1,000 gallons.

3. North McLean proposed to increase the rates to its customers effective September 20, 1993.

4. During the 12 months ending August 31, 1993, North McLean purchased 81,915,500 gallons of water and sold 68,326,200 gallons.

5. North McLean's calculations are correct and show an increase in purchased water cost of \$35,871.29, resulting in a purchased water adjustment of \$.53 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, monthly bills to North McLean customers will increase from \$18.50 to \$21.15, an increase of 14.32 percent.

6. The purchased water adjustment of \$.53 cents per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable, and should be approved.

IT IS THEREFORE ORDERED that:

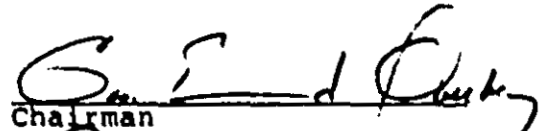
1. The purchased water adjustment of \$.53 cents per 1,000 gallons and that rates in Appendix A, attached hereto and incorporated herein, are approved for service rendered on and after September 20, 1993.

2. North McLean's proposed tariff be and hereby is approved.

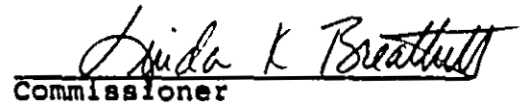
3. Within 30 days of the date of this Order, North McLean shall file verification that the notice to its customers has been given.

Done at Frankfort, Kentucky, this 21st day of October, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-353 DATED OCTOBER 21, 1993.

The following rates and charges are prescribed for the customers in the area served by North McLean County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Rates

First	2,000 Gallons	Minimum Bill	\$10.52
Next	2,000 Gallons	Per 1,000 Gallons	3.71
Next	2,000 Gallons	Per 1,000 Gallons	3.21
Next	4,000 Gallons	Per 1,000 Gallons	2.91
Next	30,000 Gallons	Per 1,000 Gallons	2.61
Next	60,000 Gallons	Per 1,000 Gallons	2.41
Over	100,000 Gallons	Per 1,000 Gallons	2.21